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### **STATEMENT ON COMMUNITY RATING**

In general, the majority of the population is healthy. Our own experience, in small groups of 10 to 25 people, shows that 70 percent of those groups have lower than average claims. The 30 percent with higher claims accounted for half the total claims submitted.

Community rating essentially requires insurers to ignore these health differences. This means that people with better than average health would pay more than they currently pay for insurance, and those with worse than average health would pay less.

